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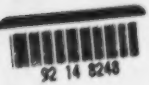

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10Q

10Q

Q92-2229

QUARTERLY REPORT UNDER SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED MARCH 31, 1992. COMMISSION FILE NUMBER 0-2528

POCONO HOTELS CORPORATION

DELAWARE — 51-0099583

1209 ORANGE STREET, WILMINGTON, DELAWARE 19801

REGISTRANT'S TELEPHONE NUMBER: (302) 658-7581

NONE

FORMER NAME, ADDRESS AND FORMER FISCAL YEAR

Indicate by check mark whether the registrant
(1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months, and
(2) has been subject to such filing requirements for the past 90 days.

YES ✓ NO ____

THE NUMBER OF SHARES OUTSTANDING OF POCONO HOTELS CORPORATION:

Preferred Stock $100 par value	9,423 shares
Common Stock no par value	9,812 shares

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POCONO HOTELS CORPORATION

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POCONO HOTELS CORPORATION
CONSOLIDATED CONDENSED BALANCE SHEET

ASSETS	MARCH 31 1992	DEC. 31 1991
CURRENT ASSETS		
CASH	$53,934	$22,258
MONEY MARKET FUNDS	45,965	46,606
CASH - ESCROW DEPOSITS	146,200	0
ACCOUNTS RECEIVABLE - NET	136,916	333,098
INVENTORIES	1,277,661	1,278,830
PREPAID EXPENSES	158,467	209,180
TOTAL CURRENT ASSETS	$1,819,143	$1,889,972
PROPERTY, PLANT AND EQUIPMENT	$13,302,546	$13,204,441
LESS: ACCUMULATED DEPRECIATION	9,603,474	9,483,474
TOTAL PROPERTY, PLANT & EQUIP.	$3,699,072	$3,720,967
INVESTMENT AT COST	$9,631	$9,631
OTHER NONCURRENT ASSETS	0	0
TOTAL ASSETS	$5,527,846	$5,620,570
LIABILITIES & STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$207,331	$284,401
ACCRUED EXPENSES	88,568	244,417
TAXES PAYABLE AND ACCRUED	60,015	32,357
LONG TERM DEBT DUE WITHIN ONE YEAR	23,844	336,401
ACCOUNTS RECEIVABLE CREDIT BALANCE	305,557	225,633
CUSTOMER DEPOSITS - SKYTOP DEV.	146,200	0
NOTES PAYABLE	200,000	100,000
TOTAL CURRENT LIABILITIES	$1,031,515	$1,223,209
LONG TERM DEBT (LESS DUE CURRENT YEAR)	$770,566	$15,021
STOCKHOLDER'S EQUITY		
CAPITAL STOCK		
PREFERRED STOCK-CUMULATIVE 7%-$100 PAR VALUE AUTHORIZED 12,000 SHARES-ISSUED & OUTSTANDING 9,423	$942,300	$942,300
COMMON STOCK-NO PAR VALUE AUTHORIZED 16,000 SHARES-ISSUED 13,994	259,080	259,080
SUBTOTAL	$1,201,380	$1,201,380
RETAINED EARNINGS	2,581,082	3,237,657
TOTAL	$3,782,462	$4,439,037
LESS: TREASURY STOCK AT COST (COMMON STOCK 4,182 SHARES)	56,697	56,697
TOTAL STOCKHOLDER'S EQUITY	$3,725,765	$4,382,340
TOTAL LIABILITIES & STOCKHOLDER'S EQUITY	$5,527,846	$5,620,570

POCONO HOTELS CORPORATION
CONSOLIDATED CONDENSED STATEMENT OF INCOME

	THREE MONTHS ENDED MARCH 31	
	1992	1991
REVENUES:		
ROOMS	$525,421	$569,359
FOOD AND BEVERAGE	494,467	512,416
GOLF AND OTHER SPORTS	91,465	82,265
SUNDRY DEPARTMENTS	76,593	69,029
INTEREST INCOME	565	1,742
OTHER INCOME	83,462	75,408
SKYTOP DEVELOPMENT SALES	0	1,472,643
INCOME-SKYTOP ASSOC. & LAND SALES	0	0
TOTALS	$1,271,973	$2,782,862
OPERATING COSTS & EXPENSES:		
FOOD AND BEVERAGE	$506,241	$485,899
OTHER COST & EXPENSE	382,799	353,276
DEVELOPMENT COST OF SALES	0	1,100,093
ADMIN. & GENERAL	413,119	409,758
ADV. & PROMOTION	157,817	128,644
HEAT, LIGHT, & POWER	105,828	134,981
REPAIRS & MAINTENANCE & CARE OF GROUNDS	177,497	166,016
REAL ESTATE, CAPITAL STOCK TAXES & BUILDING INSURANCE	51,884	53,235
INTEREST EXPENSE	13,363	5,947
DEPRECIATION	120,000	122,500
TOTALS	$1,928,548	$2,960,349
INCOME FROM OPERATIONS	($656,575)	($177,487)
LESS: PROVISION FOR INCOME TAX (NOTE 3)	0	9,000
NET INCOME (NOTE 2)	($656,575)	($186,487)
NET INCOME PER COMMON SHARE BASED ON 9,812 COMMON SHARES OUTSTANDING AFTER RECOGNITION OF PREFERRED STOCK DIVIDENDS (NOTE 4)	($68.60)	($20.69)
DIVIDENDS PAID:		
PREFERRED STOCK	---	---
COMMON STOCK	---	---

SEE NOTES ON CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

POCONO HOTELS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS

	PERIOD ENDED 3/31/92	3/31/91
Cash flows from operating activities		
Net Income (Loss)	($656,575)	($186,487)
Adjustments to reconcile net income to cash provided by operating activities		
Depreciation & amortization	$120,000	$122,500
Gain on sale of land	0	0
Income - real estate joint venture	0	0
Decrease in accounts receivable	196,182	61,231
Decrease (Increase) in inventories	1,169	881,331
Decrease (Increase) in prepaids	50,713	52,141
(Increase) in other assets	0	0
(Decrease) in accounts payable	(77,070)	(307,390)
(Decrease) in accrued expenses	(155,849)	(125,243)
Increase in accrued state & federal income taxes	0	9,000
Increase (Decrease) in other accrued taxes	27,658	(13,331)
(Decrease) in deficit, Skytop Assoc.	0	0
Increase (decrease) in deposits, SDC	146,200	(271,617)
Increase in A/R credit balances	79,924	103,821
Total adjustments	$388,927	$512,443
Net cash provided by operating activities	($267,648)	$325,956
Cash flows from investing activities		
Purchase of property, plant, & equipment	($98,105)	($41,829)
Gain on sale of land	0	0
Distribution from real estate joint venture	0	0
Net Cash (used in) investing activities	($98,105)	($41,829)
Cash flows from financing acvtivities		
Payments on long term debt	($12,557)	($8,449)
Increase (Decrease) in constrn. loan	455,545	($09,511)
Increase (Decrease) in notes payable	100,000	300,000
Net Cash (used in) financing activities	$542,988	($517,960)
Net (decrease) increase in cash	$177,235	($233,833)
Cash & cash equilavents @ beginning of year	68,864	473,461
Cash & cash equilavents @ end of year	$246,099	$239,628

POCONO HOTELS CORPORATION
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

. In the opinion of the company, the accompanying unaudited Consolidated Condensed Financial Statements contain all adjustments (consisting of only normal recurring accruals) necessary to present fairly financial position as of March 31, 1992 and 1991 and the results of operations for the three months then ended and changes in financial position for the three months then ended.

. The results of operations for the three months periods ended March 31, 1992 and 1991 are not necessarily indicative of the results to be expected for the full year.

. Although the company reported a losses for the three months ended March 31, 1992 and 1991, no provision is made for a recovery of income taxes by carrying back the loss for tax purposes as the Company expects to report profitable operations for the year ending December 31, 1992. The foregoing is based upon recent historical results as shown below:

	THREE MONTHS ENDED 3/31	YEAR ENDED 12/31
1991	(186,487)	(76,696)
1990	(553,772)	98,337
1989	(90,381)	539,487
1988	(285,602)	368,474
1987	(292,356)	181,903
1986	(367,848)	127,599

At March 31, 1992 the Company's arrearage in cumulative preferred stock dividends amounted to $225.25 per share and the total of all such shares outstanding at that date amounted to $2,122,530.75.

Skytop Development Corporation began active operations at the close of 1989. This real estate development corporation caused changes in some balance sheet items, and the addition of some new balance sheet accounts, detailed below:

Escrow Deposits: monies held in deposit on customer contracts
Customer Deposits: total monies received from customers
Inventories: Expensed as cost of sales at closings.
Long Term Debt: Proceeds from closings used to reduce loan balance.

POCONO HOTELS CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
OF
CONSOLIDATED CONDENSED STATEMENT OF INCOME

General

The Company derives substantially all of its revenues from the operation of a resort in Skytop, Pennsylvania and related activities.

Historically, the Company's revenues, and, consequently, profits, have been received primarily in May through October of each year. Operations in November through April are usually at a loss. These seasonal fluctuations do not materially affect the Company's, or its subsidiaries', liquidity or capital resources.

Results of Operations

Revenues for the first quarter of 1992 decreased $1,510,889 or 54.3% as compared with the first quarter of 1991. Revenues decreased due to the lack of sales of the Clustered Homes, 5 of which were sold in the first quarter of 1991, and decrease in revenues from the resort operation. The revenues from the resort operations fell $38,246 or 2.9%. Guest occupancy for the first quarter fell 600 guest days. The drop was due to a poor March and a decline in the group business of 26.5%. The percentage of occupancy for the first quarter was a decrease from 30.5% to 27.8%.

Operating costs and expenses decreased $1,031,801 or 34.9% in the first quarter of 1992 when compared with the same period a year ago. The decrease was due mostly to no cost in the first quarter of developing the Clustered Homes. The costs for the resort operation increased $68,292 or 3.7%.

Changes in Financial Position,
Liquidity and Capital Resources

The Company's business in not capital intensive, however, Skytop Development has affected the cash flow situation. See note #5 on page #5.

Capital projects during the period included a new bake oven, a new gas grill, new carpet at the Golf Lunch area, the conversion of 8 rooms to 4 mini suites, a new safe and several new pieces of equipment for the Golf Maintenance area.

The Company has a line of credit for the resort operation of $1,500,000; at the end of the first quarter the outstanding balance was $200,000.

Skytop Development has finished construction on 16 of the planned 40 units of the Clustered Homes. Of these 14 have been sold. During the month of March construction was begun on 6 additional units. To date, the Company has contracts to sell 5 of these units and has received non-refundable deposits representing approximately 10% of the basic purchase price of each unit. The completion of the first of these units is expected to be during the third quarter.

Legal Proceedings

On July 31, 1991 Mr. and Mrs. George Milner, owners of a unit in Skytop Meadow, brought suit against Skytop Development and Skytop Meadow Community Association, Inc. in the Court of Common Pleas of Monroe County, Pennsylvania. Mr. and Mrs. Joseph Vogt, owner of an adjacent unit in Skytop Meadow, subsequently joined in the suit. The plaintiffs sought to enjoin and restrain Skytop from constructing a building to cover the pump station at Skytop Meadow. On August 28, 1991, the Court denied the plaintiffs request. On September 17, 1991 the plaintiffs amended their complaint, alleging bad faith, fraud, aggravated oppressive conduct, and violations of the Pennsylvania Unfair Trade Practices and Consumer Protection Act ("PUTPCPA"). On February 19, 1992, the Court denied the plaintiffs' request for attorneys fees and claims for punitive damages, fraud, exacerbation of medical condition and violation of the PUTPCPA. The Company and Skytop Development do not believe the suit has any merit and intend to defend it vigorously.

POCONO HOTELS CORPORATION
COMPUTATION OF EARNINGS PER COMMON SHARE

	THREE MONTHS ENDED MARCH 31	
	1992	1991
NET INCOME (LOSS)	(656,575)	(186,487)
PLUS:		
Earnings Applicable to cumulative 7%-$100 par value Preferred Stock 9,423 shares outstanding	16,490	16,490
NET APPLICABLE TO COMMON STOCK	(673,065)	(202,977)
COMMON STOCK		
Number of shares issued	13,994	13,994
Less number of share in treasury	4,182	4,182
NET SHARES	9,812	9,812
NET INCOME (LOSS) PER COMMON SHARE	(68.60)	(20.69)

PART II - OTHER INFORMATION

Item 9 Exhibits and Reports on Form 8-K

(b) Reports on Form 8-K

There were no reports on Form 8-K for the three months ended March 31, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

POCONO HOTELS CORPORATION

5/11/92
Date

WILLIAM W. MALLESON, PRESIDENT

5/11/92
Date

JAMES J. DRIGGERS, ASST. TREAS.